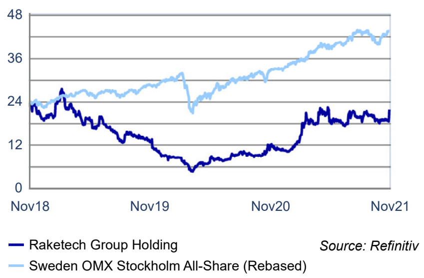
Raketech Group Holding

Media
Sweden

KEY DATA

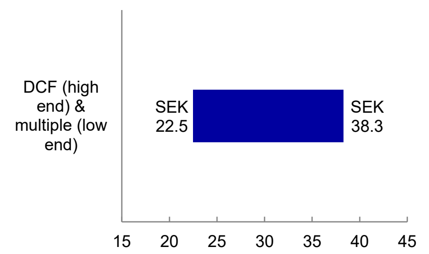
Stock country	Sweden
Bloomberg	RAKE SS
Reuters	RAKE.ST
Share price (close)	SEK 22.00
Free Float	45%
Market cap. (bn)	EUR 0.09/SEK 0.93
Website	www.raketech.com
Next report date	

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	6%	15%	17%
EBIT (adj)	16%	18%	20%

Source: Nordea estimates

Nordea Markets - Analysts
Klas Danielsson
Analyst

Growth mode engaged

Raketech delivered strong results for Q3 2021, with solid operational trends continuing in Q4. These should strengthen even further as temporary regulations are lifted in November and the US sports calendar heats up. The company generated 40% of revenues outside the Nordic region in Q3, and following the acquisition of A.T.S. and its main asset, Winnersandwhiners, this will increase to 55%. This brings both higher business stability and an improved growth profile. Given the subscription-based revenue model of Winnersandwhiners, Raketech can also extract significant synergies by adding its affiliation capabilities. Following the report and the acquisition, we lift our DCF- and multiples-based valuation range to SEK 22.5-38.3 (21.5-36.0).

Q3 2021 outcome

Raketech delivered strong Q3 2021 results, with revenues and adjusted EBITDA coming in 5% and 17% above our estimates, respectively. This was driven both by strong growth in the Nordic region and other markets, with high-margin sites as key contributors, resulting in a 6 pp y/y margin expansion. The company also announced a strong trading update with EUR 3.8m in revenue and a 45% EBITDA margin, which should strengthen as the quarter progresses owing to typical seasonality, the easing of temporary Nordic gambling restrictions and further acquisition integrations.

Acquisition of A.T.S. adds further to attractive exposure

The day before the report, Raketech announced the acquisition of A.T.S. Consultants' assets, including three notable sports betting tipster websites in the US, at a valuation of 6x EV/EBITDA. Based on TTM figures, the acquisition adds roughly 12% to sales and 11% to EBITDA for 2022E, although we expect slightly more thanks to underlying growth. Moreover, its main asset, Winnersandwhiners, is subscription-based and Raketech expects to extract plenty of revenue synergies as it adds affiliation services. Following the acquisition, Raketech expects that 20% of revenues will be generated in the US and 35% from sports betting in Q1 2022.

Estimate revisions and valuation range

As well as integrating the acquisition (adding 13% to EBITDA, including some y/y growth assumed for 2022), we make positive underlying revisions of 6-7% to our 2022-23 estimates. We thus lift our valuation range to SEK 22.5-38.3 (21.5-36.0). This would imply 6-11x 2022E EV/EBIT.

SUMMARY TABLE - KEY FIGURES

EURm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	17	26	24	29	39	51	58
EBITDA (adj)	10	14	11	12	16	24	27
EBIT (adj)	9	13	7	7	9	15	17
EBIT (adj) margin	52.5%	49.7%	29.7%	23.0%	23.5%	29.0%	29.0%
EPS (adj, EUR)	0.16	0.16	0.16	0.15	0.19	0.32	0.36
EPS (adj) growth	-22.1%	1.7%	-2.1%	-2.3%	23.3%	70.1%	13.2%
DPS (ord, EUR)	0.00	0.00	0.00	0.00	0.00	0.16	0.18
EV/Sales	n.a.	2.8	1.4	1.3	2.7	1.8	1.3
EV/EBIT (adj)	n.a.	5.7	4.7	5.5	11.6	6.1	4.6
P/E (adj)	n.a.	11.9	5.8	7.0	11.8	6.9	6.1
P/BV	n.a.	1.2	0.5	0.6	1.1	0.9	0.9
Dividend yield (ord)	n.a.	0.0%	0.0%	0.0%	0.0%	7.2%	8.1%
FCF Yield bef A&D, lease	n.a.	-6.4%	33.9%	31.0%	16.0%	22.7%	27.0%
Net debt	25	0	-1	-3	11	-3	-17
Net debt/EBITDA	2.6	0.0	0.0	-0.3	0.7	-0.1	-0.6
ROIC after tax	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Company data and Nordea estimates

Q3 2021 outcome

Key deviations

- Net sales of EUR 9.6m, 5% above our estimate
- Adjusted EBITDA of EUR 2.4m, 17% above our estimate
- Adjusted EBIT of EUR 2.7m, 36% above our estimate
- Organic growth of 25.6%, 8.6 pp above our estimate

RAKETECH: Q3 2021 DEVIATION TABLE (EPS IN EUR)

EURm	Actual Q3 2021	NDA est. Q3 2021	Deviation vs. actual		Consensus Q3 2021	Deviation vs. actual		Actual Q2 2021	q/q	Actual Q3 2020	y/y
Revenue	**9.6**	**9.2**	**0.4**	**5%**	**-**	**-**	**-**	**8.8**	**10%**	**7.4**	**30%**
Other operating income	0.0	0.0	-	-	-	-	-	0.0	-	0.0	-
Total revenue	**9.6**	**9.2**	**0.4**	**5%**	**-**	**-**	**-**	**8.8**	**10%**	**7.4**	**30%**
Direct costs	-2.7	-2.9	0.3	-9%	-	-	-	-3.1	-15%	-1.9	39%
Personnel expenses	-1.2	-1.3	0.0	-2%	-	-	-	-1.1	10%	-1.4	-11%
Depreciation and amortisation	-1.7	-1.8	0.1	-4%	-	-	-	-1.8	-5%	-1.5	16%
Other operating expenses	-1.6	-1.2	-0.4	33%	-	-	-	-1.1	43%	-1.1	41%
Reported EBIT	**2.4**	**2.0**	**0.4**	**20%**	**-**	**-**	**-**	**1.6**	**50%**	**1.5**	**64%**
Non-recurring items	0.3	0.0	-	-	-	-	-	0.0	-	0.0	-
Adjusted EBIT	**2.7**	**2.0**	**0.7**	**36%**	**-**	**-**	**-**	**1.6**	**70%**	**1.5**	**86%**
Net financials	-0.4	0.0	-	-	-	-	-	-0.3	-	-0.2	-
Profit before tax	**2.0**	**2.0**	**0.1**	**4%**	**-**	**-**	**-**	**1.3**	**56%**	**1.3**	**57%**
Income tax	-0.2	-0.1	-	-	-	-	-	-0.1	-	-0.1	-
Profit after tax	**1.9**	**1.9**	**0.0**	**2%**	**-**	**-**	**-**	**1.2**	**52%**	**1.2**	**53%**
					-	-	-				
EPS adj.	**0.06**	**0.05**	**0.01**	**21%**	**-**	**-**	**-**	**0.03**	**72%**	**0.03**	**73%**
Key ratios											
EBITDA adj.	**4.4**	**3.8**	**-**	**17%**	**-**	**-**	**-**	**3.4**	**31%**	**2.9**	**51%**
Sales growth	30%	25%	-	6pp	-	-	-	25%	5pp	24%	6pp
EBITDA adj. growth	51%	29%	-	22pp	-	-	-	20%	31pp	8%	43pp
EBIT adj. growth	**64%**	**37%**	**-**	**27pp**	**-**	**-**	**-**	**5%**	**59pp**	**-2%**	**66pp**
EBITDA adj. margin	46.0%	41.2%	-	4.8pp	-	-	-	38.7%	7pp	39.8%	6pp
EBIT adj. margin	**24.9%**	**21.8%**	**-**	**3pp**	**-**	**-**	**-**	**18.2%**	**7pp**	**19.8%**	**5pp**
Tax rate	7.4%	5.1%	-	2pp	-	-	-	5.1%	2pp	5.4%	2pp

Source: Company data and Nordea estimates

Detailed estimates

RAKETECH: QUARTERLY ESTIMATES

EURm	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021E	Q1 2022E	Q2 2022E	Q3 2022E
Revenue	**8.5**	**8.3**	**8.8**	**9.6**	**12.0**	**12.0**	**12.7**	**12.2**
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total revenue	**8.5**	**8.3**	**8.8**	**9.6**	**12.0**	**12.0**	**12.7**	**12.2**
Direct costs	-2.5	-2.9	-3.1	-2.7	-3.4	-3.2	-3.4	-3.2
Personnel expenses	-1.2	-1.2	-1.1	-1.2	-1.7	-1.8	-1.9	-1.8
Depreciation and amortisation	-1.4	-1.6	-1.8	-1.7	-2.2	-2.0	-2.2	-2.1
Other operating expenses	-1.1	-1.0	-1.1	-1.3	-1.6	-1.5	-1.6	-1.5
Adjusted EBIT	**2.3**	**1.6**	**1.6**	**2.7**	**3.2**	**3.5**	**3.7**	**3.5**
Non-recurring items	0.0	0.0	0.0	-0.3	0.0	0.0	0.0	0.0
Reported EBIT	**2.3**	**1.6**	**1.6**	**2.4**	**3.2**	**3.5**	**3.7**	**3.5**
Net financials	0.0	-0.4	-0.3	-0.4	0.0	0.0	0.0	0.0
Profit before tax	**2.3**	**1.2**	**1.3**	**2.0**	**3.2**	**3.4**	**3.6**	**3.5**
Income tax	-0.2	-0.1	-0.1	-0.2	-0.2	-0.3	-0.3	-0.3
Profit after tax	**2.1**	**1.1**	**1.2**	**1.9**	**3.0**	**3.2**	**3.4**	**3.2**
EPS adj. (EUR)	**0.06**	**0.03**	**0.03**	**0.05**	**0.07**	**0.08**	**0.08**	**0.08**
Key ratios & assumptions								
Revenue growth, y/y	45%	27%	25%	30%	42%	45%	44%	27%
EBITDA adj.	**3.6**	**3.2**	**3.4**	**4.4**	**5.4**	**5.5**	**5.8**	**5.6**
EBITDA adj. growth	61%	17%	20%	50%	49%	73%	72%	27%
EBIT adj. growth	**161%**	**5%**	**5%**	**84%**	**44%**	**124%**	**129%**	**31%**
EPS adj. growth	-707%	7%	1%	46%	28%	148%	139%	59%
EBITDA adj. margin	43.1%	38.7%	38.7%	45.8%	45.0%	46.0%	46.0%	46.0%
EBIT adj. margin	**26.7%**	**18.9%**	**18.2%**	**28.0%**	**27.0%**	**29.0%**	**29.0%**	**29.0%**
Tax rate	10.1%	5.1%	5.1%	7.4%	7.4%	7.4%	7.4%	7.4%

Source: Company data and Nordea estimates

Estimate revisions

RAKETECH: ESTIMATE REVISIONS

	New estimates			Old Estimates			Difference		
EURm	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**	**2021E**	**2022E**	**2023E**
Revenue	**38.7**	**51.3**	**58.0**	**36.5**	**44.5**	**49.4**	**5.9%**	**15.3%**	**17.4%**
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Total revenue	**38.7**	**51.3**	**58.0**	**36.5**	**44.5**	**49.4**	**5.9%**	**15.3%**	**17.4%**
Direct costs	-12.1	-13.6	-15.4	-11.9	-12.2	-13.6	1.0%	11.1%	13.1%
Personnel expenses	-5.2	-7.6	-8.6	-5.0	-6.4	-7.2	4.4%	17.7%	19.8%
Depreciation and amortisation	-7.3	-8.7	-9.9	-7.1	-7.6	-8.4	3.4%	15.3%	17.4%
Other operating expenses	-5.0	-6.5	-7.4	-4.7	-5.6	-6.3	6.9%	15.3%	17.4%
Adjusted EBIT	**9.1**	**14.9**	**16.8**	**7.8**	**12.6**	**14.0**	**16.1%**	**18.2%**	**20.3%**
Non-recurring items	-0.3	0.0	0.0	0.0	0.0	0.0	-	-	-
Reported EBIT	**8.8**	**14.9**	**16.8**	**7.8**	**12.6**	**14.0**	**12.3%**	**18.2%**	**20.3%**
Interest payable on borrowings	-1.1	-0.2	-0.2	-0.8	-0.2	-0.2	-	-	-
Finance costs	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Finance income	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Other non-operating income	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
Profit before tax	**7.7**	**14.7**	**16.6**	**7.1**	**12.4**	**13.8**	**9.2%**	**18.5%**	**20.6%**
Income tax	-0.5	-1.1	-1.2	-0.4	-0.6	-0.7	-	-	-
Profit after tax	**7.2**	**13.6**	**15.4**	**6.7**	**11.8**	**13.1**	**7.4%**	**15.5%**	**17.6%**
EPS adj. (EUR)	**0.19**	**0.32**	**0.36**	**0.17**	**0.29**	**0.32**	**10.3%**	**12.4%**	**14.4%**
Key ratios									
Sales growth	**32%**	**33%**	**13%**	**24%**	**22%**	**11%**	**7pp**	**11pp**	**2pp**
EBIT adj. growth	35%	63%	13%	16%	60%	11%	19pp	3pp	2pp
EBITDA adj.	16.4	23.6	26.7	14.9	20.1	22.4	10%	17%	19%
EBITDA adj. margin	42.4%	46.0%	46.0%	40.8%	45.3%	45.3%	1.6pp	0.7pp	0.7pp
EBIT adj. margin	**23.5%**	**29.0%**	**29.0%**	**21.5%**	**28.3%**	**28.3%**	**2.1pp**	**0.7pp**	**0.7pp**
Tax rate	6.7%	7.4%	7.4%	5.1%	5.1%	5.1%	1.6pp	2.3pp	2.3pp

Source Nordea estimates

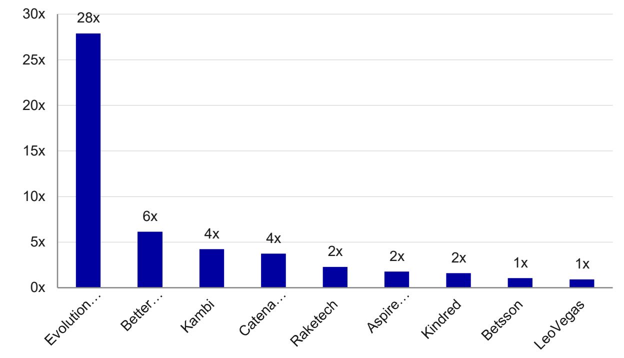
Valuation

ONLINE GAMBLING: PEER VALUATION

		Mcap.	EV/Sales		EV/EBITDA		EV/EBIT adj.		P/E adj.		FCF yield		EPS growth		Yield	ROE
Nordic	**Rec.**	**SEKm**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2022E**	**2021E**	**2021E**
Aspire Global	-	3,952	1.8x	1.6x	9.9x	8.5x	13.0x	11.8x	15.5x	13.8x	-	-	72%	12%	2.6%	41%
Betsson	-	6,980	1.0x	1.0x	4.4x	5.2x	5.8x	7.2x	7.4x	9.2x	N.A.	N.A.	9%	-16%	6.7%	20%
Better Collective	**-**	**10,508**	**6.1x**	**4.5x**	**19.8x**	**14.2x**	**23.1x**	**15.6x**	**31.8x**	**19.1x**	**N.A.**	**N.A.**	**33%**	**67%**	**N.A.**	**11%**
Catena Media	**-**	**4,761**	**3.7x**	**3.5x**	**6.9x**	**6.5x**	**8.0x**	**7.4x**	**12.6x**	**11.0x**	**N.A.**	**N.A.**	**133%**	**14%**	**3.4%**	**26%**
Evolution Gaming	-	299,296	27.9x	20.8x	40.4x	29.8x	45.4x	33.4x	51.2x	37.4x	N.A.	N.A.	86%	36%	1.0%	21%
Kambi	-	7,214	4.2x	3.7x	-	-	12.6x	11.9x	16.9x	15.8x	N.A.	N.A.	101%	6%	0.0%	36%
Kindred	-	26,310	1.6x	1.5x	6.1x	8.8x	7.1x	11.5x	9.4x	15.1x	N.A.	N.A.	29%	-34%	5.2%	51%
LeoVegas	-	3,392	0.9x	0.8x	8.2x	6.6x	20.9x	9.3x	11.1x	8.8x	7.1%	14.7%	4%	26%	3.9%	29%
Raketech	NR	747	2.3x	1.6x	5.6x	3.5x	10.7x	5.7x	11.6x	6.9x	-6.2%	15.1%	11%	67%	0.0%	9%
Median	**-**	**6,980**	**2.3x**	**1.6x**	**7.6x**	**7.6x**	**12.6x**	**11.5x**	**12.6x**	**13.8x**	**0.4%**	**14.9%**	**33%**	**14%**	**3.0%**	**26%**
International	**Origin**															
888	UK	16,168	1.7x	1.7x	10.4x	10.4x	13.5x	13.5x	17.2x	17.7x	6.1%	6.5%	5%	3%	3.0%	51%
Bet-at-home	DE	1,165	0.8x	0.7x	N.A.	8.2x	N.A.	10.0x	N.A.	14.0x	69.8%	-14%	-167%	156%	12.3%	-33%
Entain (prev. GVC)	UK	134,447	3.6x	3.1x	15.6x	12.9x	27.9x	18.4x	37.1x	22.2x	3.1%	5.7%	-17%	65%	1.0%	10%
IGT	US	56,659	3.4x	3.2x	8.5x	8.4x	16.6x	16.4x	30.2x	23.0x	7.1%	8.4%	-	-	0.0%	21%
Flutter (PaddyPower)	UK	254,173	4.1x	3.7x	24.1x	20.9x	32.2x	26.9x	41.5x	32.9x	-	-	-29%	32%	0.0%	5%
Playtech	UK	26,180	2.7x	2.3x	11.2x	9.6x	22.5x	17.9x	39.9x	30.1x	1.1%	3.3%	19%	38%	0.2%	5%
Rank Group	UK	8,561	2.8x	1.4x	-	8.2x	-	15.9x	-	19.0x	-	4.2%	-347%	140%	0.0%	-27%
Scientific Games	US	65,974	4.8x	4.5x	12.6x	11.9x	27.4x	22.1x	58.6x	39.2x	4.0%	4.3%	-	46%	0.0%	-5%
Tabcorp	AU	73,182	2.4x	2.4x	12.4x	12.7x	19.0x	20.0x	28.9x	28.9x	n.a	n.a	33%	-5%	2.7%	6%
XLMedia	UK	1,588	2.3x	1.9x	11.7x	6.1x	61.4x	9.5x	28.0x	11.2x	-	-	-	150%	0.0%	-
DraftKings Inc	US	294,921	25.8x	18.0x	-	-	-	-	-	-	-	-	-59%	40%	0.0%	-65%
Gan Ltd	UK	5,202	4.2x	3.2x	55.8x	21.6x	-	-	-	-	-	-	10%	88%	0.0%	-8%
Penn National	US	85,747	2.5x	2.3x	7.2x	7.4x	13.3x	13.5x	20.8x	26.1x	-	-	159%	-15%	0.0%	16%
Median	**-**	**56,659**	**2.8x**	**2.4x**	**12.0x**	**10.0x**	**22.5x**	**16.4x**	**30.2x**	**23.0x**	**5.1%**	**4.3%**	**-6%**	**43%**	**0.0%**	**5%**

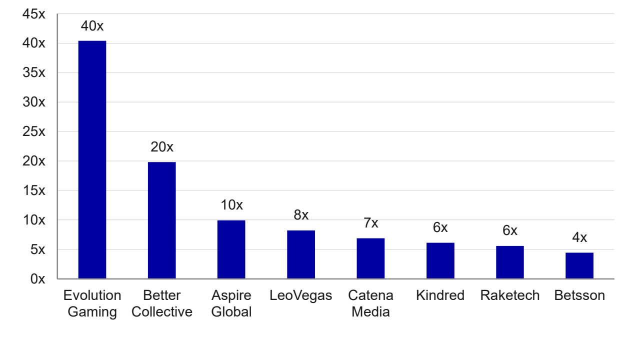
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/SALES, 2021E



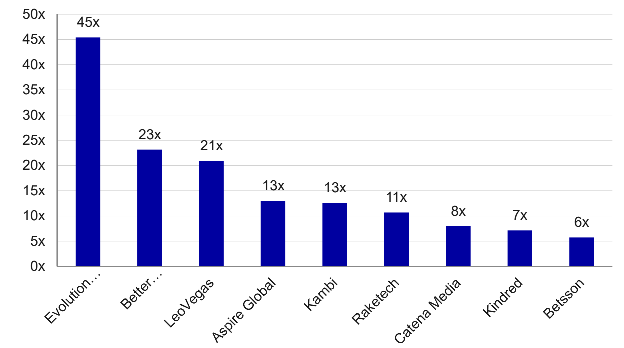
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/EBITDA, 2021E



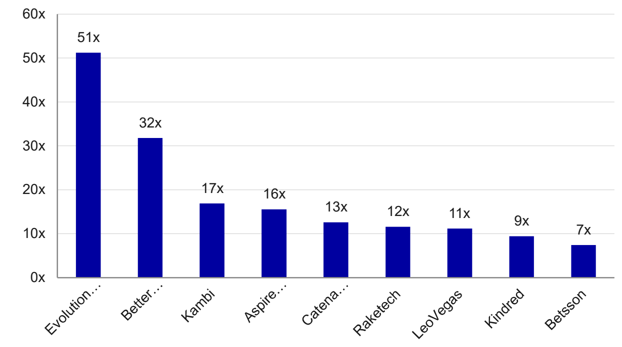
Source: Company data, Refinitiv and Nordea estimates

SWEDISH ONLINE GAMBLING: EV/EBIT, 2021E



Source: Company data, Refinitiv and Nordea estimates

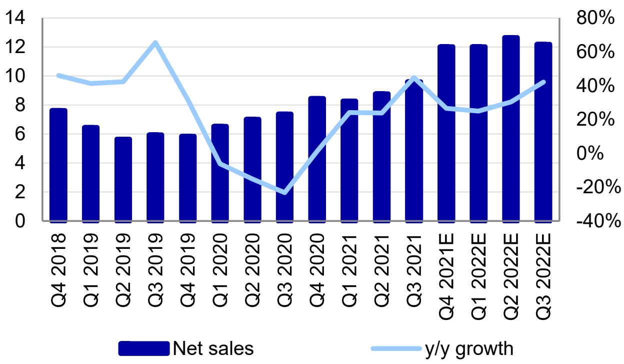
SWEDISH ONLINE GAMBLING: P/E, 2021E



Source: Company data, Refinitiv and Nordea estimates

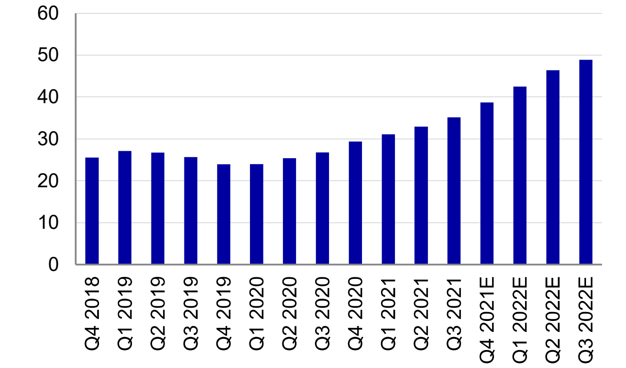
Key charts

NET SALES PER QUARTER (EURm) AND GROWTH Y/Y (%)



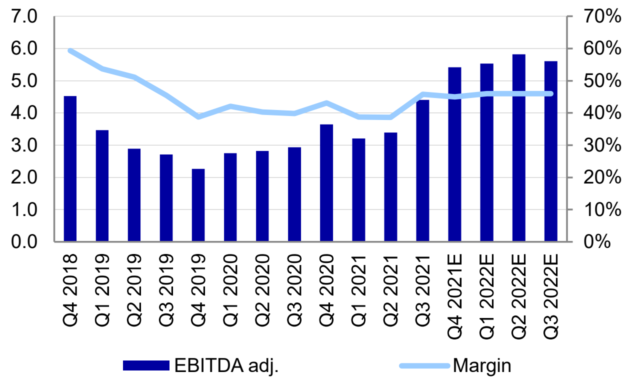
Source: Company data and Nordea estimates

NET SALES (EURm), LAST 12 MONTHS



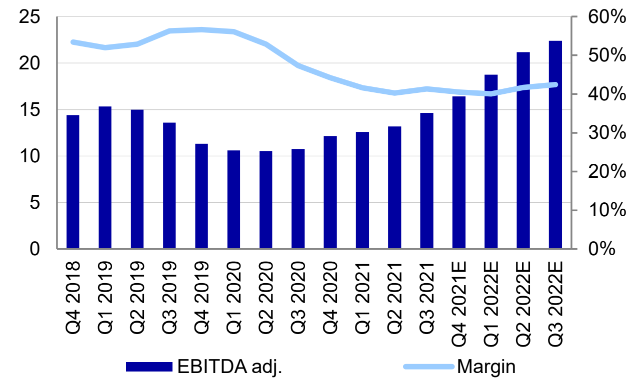
Source: Company data and Nordea estimates

ADJUSTED EBITDA PER QUARTER (EURm) AND MARGIN (%)



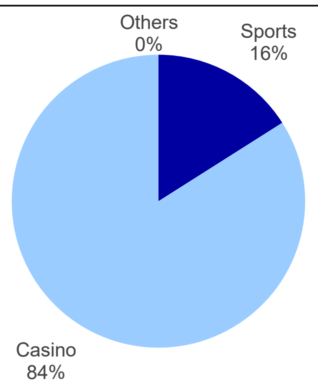
Source: Company data and Nordea estimates

ADJUSTED EBITDA (EURm) & MARGIN (%), LAST 12 MONTHS



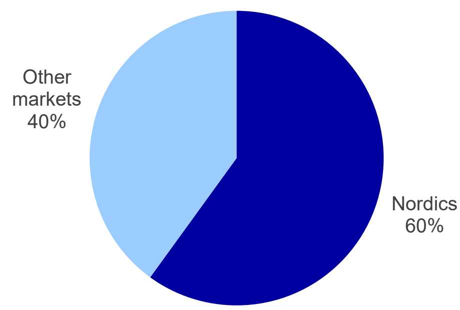
Source: Company data and Nordea estimates

VERTICAL SPLIT, Q3 2021



Source: Company data and Nordea

DETAILED MARKET OVERVIEW AS OF Q1 2021



Source: Company data and Nordea

Reported numbers and forecasts

INCOME STATEMENT											
EURm	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021E**	**2022E**	**2023E**
Total revenue	**n.a.**	**n.a.**	**2**	**10**	**17**	**26**	**24**	**29**	**39**	**51**	**58**
Revenue growth	n.a.	n.a.	n.a.	399.0%	64.3%	49.1%	-6.5%	23.0%	31.7%	32.5%	13.0%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	0	0	0	8	9	13	13	12	16	24	27
Depreciation and impairments PPE	0	0	0	0	0	0	0	0	0	0	0
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	0	0	0	8	9	13	12	12	16	24	27
Amortisation and impairments	0	0	0	0	-1	-2	-4	-5	-7	-9	-10
EBIT	n.a.	n.a.	0	8	9	11	8	7	9	15	17
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net financials	0	0	0	0	-3	-6	-1	-1	-1	0	0
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	**0**	**0**	**0**	**8**	**6**	**5**	**7**	**6**	**8**	**15**	**17**
Reported taxes	0	0	0	0	0	0	0	0	-1	-1	-1
Net profit from continued operations	0	0	0	8	6	5	7	6	7	14	15
Discontinued operations	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Minority interests	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net profit to equity	0	0	0	8	6	5	7	6	7	14	15
EPS, EUR	**n.a.**	**n.a.**	**n.a.**	**0.20**	**0.15**	**0.12**	**0.19**	**0.15**	**0.18**	**0.32**	**0.36**
DPS, EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.16	0.18
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.16	0.18
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit margin in percent											
EBITDA	n.a.	n.a.	3.6%	77.3%	55.3%	50.4%	52.7%	40.9%	41.6%	46.0%	46.0%
EBITA	n.a.	n.a.	3.6%	77.3%	55.1%	50.0%	51.9%	40.0%	41.5%	45.8%	45.8%
EBIT	n.a.	n.a.	3.6%	76.9%	51.4%	43.7%	35.1%	22.5%	22.7%	29.0%	29.0%
Adjusted earnings											
EBITDA (adj)	0	0	0	8	10	14	11	12	16	24	27
EBITA (adj)	0	0	0	8	10	14	11	12	16	24	27
EBIT (adj)	0	0	0	8	9	13	7	7	9	15	17
EPS (adj, EUR)	n.a.	n.a.	n.a.	0.20	0.16	0.16	0.16	0.15	0.19	0.32	0.36
Adjusted profit margins in percent											
EBITDA (adj)	n.a.	n.a.	3.6%	77.3%	56.4%	56.3%	47.4%	41.3%	42.4%	46.0%	46.0%
EBITA (adj)	n.a.	n.a.	3.6%	77.3%	56.2%	56.0%	46.5%	40.4%	42.2%	45.8%	45.8%
EBIT (adj)	n.a.	n.a.	3.6%	76.9%	52.5%	49.7%	29.7%	23.0%	23.5%	29.0%	29.0%
Performance metrics											
CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	69.6%	30.0%	24.5%	17.8%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	176.2%	14.8%	20.0%	15.7%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	145.1%	1.9%	11.0%	8.5%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-2.1%	16.1%	24.9%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	46.1%	40.4%	32.5%	29.5%	27.6%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	54.5%	51.7%	46.8%	45.7%	45.2%

VALUATION RATIOS - ADJUSTED EARNINGS											
EURm	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021E**	**2022E**	**2023E**
P/E (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	11.9	5.8	7.0	11.8	6.9	6.1
EV/EBITDA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.0	2.9	3.0	6.4	3.9	2.9
EV/EBITA (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.1	3.0	3.1	6.5	3.9	2.9
EV/EBIT (adj)	n.a.	n.a.	n.a.	n.a.	n.a.	5.7	4.7	5.5	11.6	6.1	4.6

VALUATION RATIOS - REPORTED EARNINGS											
EURm	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021E**	**2022E**	**2023E**
P/E	n.a.	n.a.	n.a.	n.a.	n.a.	15.9	4.7	7.2	12.3	6.9	6.1
EV/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	2.83	1.39	1.26	2.73	1.78	1.34
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	5.6	2.6	3.1	6.6	3.9	2.9
EV/EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	5.7	2.7	3.1	6.6	3.9	2.9
EV/EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	6.5	4.0	5.6	12.0	6.1	4.6
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	7.2%	8.1%
FCF yield	n.a.	n.a.	n.a.	n.a.	n.a.	-7.4%	8.1%	6.6%	-24.9%	15.4%	21.7%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	n.a.	n.a.	-6.4%	33.9%	31.0%	16.0%	22.7%	27.0%
Payout ratio	n.a.	n.a.	n.a.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	50.0%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	0	0	0	18	46	66	74	81	113	111	106
of which R&D	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which other intangibles	0	0	0	18	46	66	74	81	92	88	83
of which goodwill	0	0	n.a.	n.a.	n.a.	0	n.a.	0	21	23	23
Tangible assets	0	0	0	0	0	0	0	0	0	0	0
of which leased assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0
Shares associates	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Interest bearing assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Deferred tax assets	0	0	0	0	0	0	n.a.	0	0	0	0
Other non-IB non-current assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Other non-current assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Total non-current assets	0	0	0	18	47	66	74	81	113	111	107
Inventory	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Accounts receivable	0	0	1	1	3	4	4	5	6	9	10
Short-term leased assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Other current assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Cash and bank	0	0	0	0	3	8	4	5	6	20	34
Total current assets	0	0	1	1	6	12	8	10	12	29	44
Assets held for sale	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**0**	**0**	**1**	**19**	**53**	**78**	**82**	**91**	**125**	**140**	**150**
Shareholders equity	0	0	0	9	16	59	65	71	87	101	109
Of which preferred stocks	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Of which equity part of hybrid debt	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Minority interest	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Total Equity	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	71	87	101	109
Deferred tax	0	0	0	0	0	1	1	2	2	2	2
Long term interest bearing debt	0	0	0	0	28	8	3	0	15	15	15
Pension provisions	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Other long-term provisions	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Other long-term liabilities	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Non-current lease debt	0	0	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0
Convertible debt	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Shareholder debt	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Hybrid debt	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Total non-current liabilities	0	0	0	1	29	13	10	10	25	25	25
Short-term provisions	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Accounts payable	0	0	1	9	6	4	2	2	3	4	5
Current lease debt	0	0	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0
Other current liabilities	0	0	0	0	2	3	5	6	7	8	9
Short term interest bearing debt	0	0	0	0	0	0	n.a.	2	2	2	2
Total current liabilities	0	0	1	9	8	7	7	10	13	14	15
Liabilities for assets held for sale	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Total liabilities and equity	**0**	**0**	**1**	**19**	**53**	**78**	**82**	**91**	**125**	**140**	**150**
Balance sheet and debt metrics											
Net debt	0	0	0	0	25	0	-1	-3	11	-3	-17
of which lease debt	0	0	n.a.	n.a.	n.a.	n.a.	0	0	0	0	0
Working capital	0	0	0	-8	-6	-2	-3	-3	-4	-3	-4
Invested capital	0	0	0	10	41	64	71	78	109	108	103
Capital employed	0	0	0	9	44	67	69	73	104	118	126
ROE	n.m.	n.m.	38.1%	n.m.	47.0%	12.2%	11.6%	8.2%	9.1%	14.5%	14.6%
ROIC	n.m.	n.m.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ROCE	n.m.	n.m.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net debt/EBITDA	n.m.	n.m.	-0.3	0.0	2.6	0.0	0.0	-0.3	0.7	-0.1	-0.6
Interest coverage	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Equity ratio	n.m.	n.m.	24.3%	46.9%	29.8%	75.2%	79.1%	77.6%	69.8%	72.0%	72.9%
Net gearing	n.m.	n.m.	n.a.	n.a.	n.a.	n.a.	n.a.	-4.3%	13.0%	-3.2%	-15.5%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA (adj) for associates	**0**	**0**	**0**	**8**	**9**	**13**	**13**	**12**	**16**	**24**	**27**
Paid taxes	0	0	0	0	0	0	0	0	-1	-1	-1
Net financials	0	0	0	0	-3	-6	-1	-1	-1	0	0
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	0	0	0	0	0	4	1	3	0	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	0	0	0	-1	1	5	-2	-2	0	0	0
Funds from operations (FFO)	**0**	**0**	**0**	**7**	**8**	**14**	**11**	**12**	**15**	**22**	**25**
Change in NWC	0	0	0	9	-3	-3	0	0	1	-1	0
Cash flow from operations (CFO)	**0**	**0**	**0**	**16**	**5**	**11**	**11**	**12**	**15**	**22**	**26**
Capital expenditure	0	0	0	-16	-28	-16	0	0	0	0	0
Free cash flow before A&D	**0**	**0**	**0**	**0**	**-23**	**-5**	**11**	**12**	**15**	**21**	**26**
Proceeds from sale of assets	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	0
Acquisitions	0	0	0	0	0	-1	-9	-10	-39	-7	-5
Free cash flow	0	0	0	0	-23	-5	3	3	-24	15	21
Free cash flow bef A&D, lease adj	0	0	0	0	-23	-5	11	12	15	21	26
Dividends paid	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	0	0	-7
Equity issues / buybacks	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	0	9	0	0
Net change in debt	0	0	0	0	28	-23	-4	-2	15	0	0
Other financing adjustments	0	0	n.a.	n.a.	-2	-4	-1	0	0	0	0
Other non-cash adjustments	0	0	0	0	0	0	0	0	0	0	0
Change in cash	0	0	0	0	3	4	-3	1	1	15	14
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	0.6%	-0.4%	1.6%	1.8%	1.8%
Capex/Sales	n.a.	n.a.	1.1%	n.m.	n.m.	61.8%	0.1%	-0.1%	0.3%	0.3%	0.3%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	n.a.	n.a.	2	1	1	2	2	2
Market cap.	n.a.	n.a.	n.a.	n.a.	n.a.	72	34	40	95	95	95
Enterprise value	n.a.	n.a.	n.a.	n.a.	n.a.	72	33	37	106	91	78
Diluted no. of shares, year-end (m)	0.0	0.0	37.9	37.9	37.9	37.9	37.4	37.4	42.4	42.4	42.4

Source: Company data and Nordea estimates

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